

The Law Office of Vincent Trivelli, PLLC
178 Chancery Row
Morgantown, West Virginia 26505
Phone (304) 291-5223 • Toll Free 1-866-266-5948
Fax (304) 291-2240 • E-mail: vmtriv@westco.net

RECEIVED
2010 MAR 12 AM 8 45
W VA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

March 11, 2010

Ms. Sandra Squire, Executive Secretary
Public Service Commission of West Virginia
P. O. Box 812
201 Brooks Street
Charleston, WV 25323

RE: Citizens Telecommunications Company of West Virginia, dba Frontier
Communications of West Virginia and Verizon West Virginia, Inc.
Case No.09-0871-T-PC

Dear Ms. Squire:

Enclosed for filing in the above-styled and numbered case, please find the original and twelve (12) copies of the Public (Redacted) Version of the **Reply Brief of the Communications Workers of America, AFL-CIO**.

Also enclosed is the original of the **PROPRIETARY VERSION** of the **Reply Brief of the Communications Workers of America, AFL-CIO** which is being filed under seal in this case. Copies of this Proprietary version are being served on the parties of record who have executed a Protective Agreement in this matter.

If you have any questions, please feel free to contact me at (304) 291-5223.

Thank you.

Sincerely,



Vincent Trivelli
West Virginia Bar #8015

Enclosures

Cc: All parties of record

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

Case No. 09-0871-T-PC

Citizens Telecommunications Company
of West Virginia, dba Frontier Communications
of West Virginia and Verizon West Virginia, Inc.
Joint Petition for consent and approval of
the transfer of Verizon's local exchange
and long distance business in West
Virginia to companies to be owned and
controlled by Frontier Communications

**PUBLIC
VERSION**

RECEIVED
2010 MAR 12 AM 8 45
WVA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

Reply Brief of the Communications Workers of America, AFL-CIO

The Communications Workers of America, AFL-CIO (hereinafter referred to as "CWA") files this *Reply Brief of the Communications Workers of America, AFL-CIO* and in support thereof states as follows.

Argument

In accordance with the Commission's schedule¹ in this matter, the parties filed Initial Briefs on February 19, 2009.² It is worth noting that in addition to the CWA, both the Commission Staff ("Staff") as well as the Consumer Advocate Division

¹ On March 1, 2010 the Commission Ordered the Joint Applicants to file true copies of any and all amendments to their May 13, 2009 Merger Agreement or the associated distribution agreement forthwith. On March 3, 2010 the Joint Applicants filed said documents with the Commission. In their filing the Joint Applicants noted that certain documents were "already a part of the evidentiary record" and other documents were produced in various "supplementary discovery" responses. It is worth noting, at a minimum, the documents cited by the Joint Applicants as having been provided to the Parties in discovery are clearly material to the proposed transaction and, to the extent that the documents have not been placed into the evidentiary record of the proceeding, the documents are not before the Commission for its consideration in this matter. In that the Joint Applicants have the burden in this matter, by not moving these documents into the record, the Joint Applicants have failed to meet their burden and the record does not support approval by this Commission.

² It should be noted that none of the Intervenor CLECs that were party to the Agreed Stipulations presented to the Commission on the first day of the evidentiary hearing put any evidence into the record nor filed Briefs in this matter in support of those stipulations or the proposed transaction as a whole.

("CAD") strongly urged this Commission to reject the proposed transaction of Joint Applicants, Frontier Communications Corporation ("Frontier") and Verizon West Virginia, Inc. ("Verizon")³ (herein referred to jointly as "Applicants").⁴ In addition, the United States Department of Defense and all other Federal Executive Agencies ("DoD/FEA") states that "[t]his transaction has raised a number of issues that, in DoD/FEA's view, preclude the Commission from granting the application as filed." (DoD/FEA Initial Brief p. 4)⁵ Clearly this proposed transaction has raised serious, detailed, fundamental concerns among a broad range of Parties.⁶ These concerns have not been addressed by the Applicants despite months of discovery, days of evidentiary hearing, and extensive post-hearing briefing.

³ Specifically, this is the joint application by Frontier Communications Corporation, New Communications Holdings, Inc., New Communications ILEC Holdings, Inc., New Communications Online and Long Distance, Inc., Verizon West Virginia Inc., Verizon Long Distance LLC and Verizon Enterprise Solutions, LLC.

⁴ Staff stated, "Staff's recommendation that the transfer petition be denied remains unchanged." (Staff Initial Brief, p. 7) CAD's Initial Brief states, after 140 pages, "[f]or all the foregoing reasons, the Commission should reject the Joint Application for approval of the proposed transaction, filed with the Commission on May, 29, 2009." (CAD Initial Brief, p. 140)

In addition, the Staff moved this Commission to dismiss the pending Joint Application. The Staff moves this Commission for dismissal stating: "Due to the insufficiency of the petition and direct testimony, Staff maintains that the petitioners have not met its burden of proof and moves this Commission to dismiss this case." (Staff Initial Brief, p. 6) In a similar vein, CAD urges this Commission to reject the proposed transaction because the Joint Applicants failed to submit or put into evidence all of the agreements that comprise the proposed transaction (CAD Initial Brief, p. 18) as well as for the fact that most of the Applicants' case was not presented until rebuttal or thereafter. (*Supra*, p. 29) The CWA concurs with the Staff and CAD and urges this Commission to dismiss or reject the proposed transaction due to the actions of the Applicants as set out in the CAD and Staff briefs.

⁵ The DoD/FEA ultimately proposes a series of conditions that it contends are essential to any approval of this proposed transaction by this Commission. The DoD/FEA's list of conditions however, includes conditions that "are warranted to avoid adverse impacts on Frontier's ratepayers" but have been "rejected" by the Applicants. (DoD/FEA Initial Brief, p. 4)

⁶ In addition to the West Virginia legislators listed in CWA's Initial Brief as opposing the proposed sale, three additional Delegates have since filed letters with the PSC urging them to reject this proposal: Delegates Linda Goode Phillips, Ruth Rowan and Ron Fragale. Senator Jeffrey Kessler has filed correspondence to the Commission expressing his concerns regarding the instant matter. Additionally, the Harrison County Commission recently filed correspondence with the Commission asking this Commission to reject the proposed transaction.

In fact, the response of the Applicants in their Initial Brief appears to be one of take the deal as it stands today or else. They state that any additional proposed conditions, other than those approved by the Joint Applicants, that attempt to address the parties' serious concerns are "unnecessary and unreasonable" and/or "unlawful" (Applicants' Initial Brief, p. 56); that the existing copper network in the VSTO area is fine; and, that any guarantee by Verizon of the landlines it is proposing to sell would "harm the Joint Applicants and the public by voiding the tax-efficient⁷ nature of the Transaction." (*Supra*, p. 66). CWA therefore, once again urges this Commission to reject this transaction.

Many of the matters raised by the Joint Applicants in their Initial Brief were addressed by CWA in its Initial Brief in this matter and CWA will not repeat those discussions here. Rather, CWA will briefly address a limited number of factual and legal issues raised by the Joint Applicants.

Leverage Ratio and Cash Flow - In their Initial Brief, the Joint Applicants argue that the proposed transaction, if approved, would improve Frontier's leverage ratio (Applicants' Initial Brief beginning on page 17) and Frontier's cash flows (*Supra*, beginning on page 19). As the Commission is aware, CWA discusses these issues in its Initial Brief. (CWA Initial Brief, pp. 11-15) What is important for this Commission to note is that, despite what the Applicants' own confidential projections show, the Applicants continue to mismatch actual 2008 data with post-closing (2010 or later) data in order to present in public an outcome that their own confidential projections do not support. This is a public relations strategy that the Commission must disregard.

⁷ The term "tax-efficient" appears to be a euphemism for "tax-free" which the Joint Applicants argue is somehow appropriate on page 26 of their Initial Brief.

Frontier's assertion that its "pro forma leverage ratio after synergies *is expected* [to] approach that of Verizon and *consistent with that of an investment grade-rated telecom company*" (Applicants' Initial Brief, p.18)(Emphasis added) as discussed in CWA's Initial Brief (See CWA Initial Brief p. 13) is simply untrue. Frontier also simply misstates the facts when it says "Post-Transaction, *even excluding synergies*, dividends will represent a significantly smaller percentage of Frontier's free cash flow." (Applicants' Initial Brief, p. 20)(Emphasis added). As stated in the Joint Applicants' Initial Brief at footnote 79⁸ (*Id.*, p. 21), Frontier's payout ratio "ranged from 58%-65%." However, when Frontier asserts that Whitehouse's testimony demonstrates "unequivocally" that the combined company will generate payout ratios, "based on 2008 data in the 43% to 52% range, depending on synergies achieved" its own model does not support this assertion. In fact, without synergies, Frontier's pro forma model projects payout ratios of <<<BEGIN CONFIDENTIAL [REDACTED]

[REDACTED] END CONFIDENTIAL>>> (See Barber Direct Testimony and CWA Exhibit C-2 and CAD Ex. C-3 [which appears to have been mislabeled as Staff C-3 in Confidential Transcript of January 14, 2010]) This is not just a minor quibble. Given the disparity between the amounts it is difficult not to conclude that the Joint Applicants are attempting to mislead the Commission.

⁸ See discussion of this issue in CWA Initial Brief at pages 11-13 wherein CWA discusses the fact that at the recent hearings before this Commission Mr. Whitehouse on behalf of Frontier testified that Frontier's actual free cash flow for the years 2005 – 2008 was actually zero or less than zero.

The Likely to Use Capital Prudently Standard – On page 23 of the Joint Applicants’ Initial Brief, as a portion of discussion regarding Frontier’s financial situation pre- and post-transaction, specifically with regard to access to capital, the Joint Applicants assert that, “the Commission’s assessment of consumer-benefit should not be solely or fundamentally driven by credit ratings, but by an assessment of which carrier is likely to use its capital prudently and primarily to serve West Virginia customers.”⁹ The relative credit ratings mean little for the public interest if the companies in question are not primarily dedicated to devoting capital to serving the relevant customer base.” Of course, as this Commission, the Joint Applicants and all of the Parties know, there simply is no “likely to use capital prudently” standard in the law of West Virginia with regard to matters such as the instant matter. Rather, as discussed in CWA’s Initial Brief, transactions such as the instant one can only be approved, as it relates to the consumers and the public interest, if the terms and conditions of the proposed transaction “do not adversely affect the public” (West Virginia Code §24-2-12) and, as with all Commission actions “whatever’s proposed has to be in the public’s interest.” (Gregg, T. Day 3, p. 216) The Commission cannot, under the law, base its decisions on a “likely to” standard no matter what is urged upon them by the Joint Applicants.

Prudently Tax-Free - On page 26 of the Joint Applicants’ Initial Brief, they argue that they have “prudently structured” the proposed transaction as “tax-free.” The Joint

⁹ The Joint Applicants’ Initial Brief at this point appears to imply that Frontier is likely to act prudently with its capital while Verizon is not. Surely the Joint Applicants do not intend to argue that Verizon is not acting prudently with its capital investments either now or in the future.

Applicants assert that the tax-free¹⁰ nature of the proposed transaction is a benefit to the West Virginia customers and Frontier “by freeing up capital for investment in West Virginia” because,

It is apparent that if Verizon and Frontier had at the outset negotiated a taxable sale, Verizon would have required cash consideration in an amount considerably greater than the \$5 billion of stock that Frontier will issue to Verizon shareholders in connection with the merger. Clearly, making a cash payment to Verizon of such a magnitude would reduce Frontier’s Post-Transaction financial strength and its ability to invest robustly in the acquired operations. (*Id.*)

With regard to this matter, it is important for the Commission to note that there is no evidence of this kind in the record of this proceeding. Thus, whatever the Joint Applicants’ counsel speculates about regarding what might have happened in the past and how that might or might not impact Frontier’s actions in the future is simply not evidence and must be disregarded by this Commission. Indeed, it would be equally logical to argue that the need for a major tax concession indicates the lack of viability of the transaction and that, at a higher price the deal simply would not have been reached. Thus, the fact that tax subsidies of this magnitude are required should be a clear warning sign to the Commission that this deal is deeply flawed. In any case, it is difficult to comprehend the logic of the Joint Applicants that, given the current state of the economy of this State and the Nation, it is in the public interest for West Virginia and the United States to forgo tax revenue from the sale of a public utility.

Frontier and the VSTO Physical Inspections – On page 28 of the Joint Applicants’ Initial Brief the Joint Applicants state, “visits to physical sites and

¹⁰ In its Initial Brief (pages 27-28) CWA noted that the Joint Applicants testified that a guarantee would void the tax-free nature of the proposed transaction. CWA further stated that whether the proposed transaction is or is not tax-free to Verizon should not be this Commission’s concern and that the Commission’s concern should be the impact of the proposed transaction on West Virginia and the customers in the VSTO and Frontier areas. Of course, the loss of taxes to the State of West Virginia should

assessments of individual central offices are not necessary” for a transaction such as the instant one. The Joint Applicants further state that during the hearing, citing the Transcript of January 12, 2010 at pages 137-138, 202, and 243, Frontier witness Mr. McCarthy explained that “Frontier had engaged in detailed physical site visits in the ensuing months that confirmed their pre-signing diligence analyses.” The Joint Applicants then conclude that “Frontier’s due diligence process for the proposed Transaction was thorough and effective, was consistent with industry practice, and provides the company with sufficient data to responsibly move forward with the Transaction.” (*Id.*)

In this regard it is important to note the following:

- On pages 137-138 of the Transcript of the hearing on January 12, 2010 cited by the Joint Applicants, Mr. McCarthy is discussing Frontier’s \$48 million broadband estimates and not detailed physical site visits that confirmed their pre-signing due diligence. In addition, he provides little or no detail regarding the visits.
- On pages 202 of the Transcript of the hearing on January 12, 2010 cited by the Joint Applicants, there simply is no discussion of site visits or assessments whatsoever, and on page 243 of that same Transcript there is only an brief mention of site visits.

What the transcript does demonstrate is that Frontier made no site visits to the VSTO areas of West Virginia during the due diligence period (T. Day 1, p. 157) and the only site visits that were made by Frontier were two site visits made in November of

this proposed deal proceed in a tax-free manner will have a negative impact on the State and the customers in the VSTO and Frontier areas of West Virginia and should be of concern to the Commission.

2009 that were to limited areas. (T. Day 3, pp. 210-211, and CAD Cross Ex.7) In addition, while Frontier may not have made site visits for other transactions, that does not make the lack of site visits “industry practice” as argued by the Joint Applicants.¹¹

Finally, the fact that Frontier admits that it has only conducted high-level analyses of the West Virginia plant casts real doubt on the credibility of its investment promises, since, as Witness McCarthy acknowledged, all Frontier capital projects must meet specific payback period and rate of return criteria. (T. Day 2, pp. 93-94)

Frontier “Commitments” – Beginning on page 29 the Applicants’ Initial Brief discusses a series of “commitments” made by Frontier that it is argued will “eliminate any risk of adverse impact to customers and provide real benefits to West Virginia.” (*Id.*) In this regard the Commission should note that not only are these “commitments” insufficient (See for example CWA Initial Brief, pp. 18-21 regarding broadband, and pp. 17-18 regarding capital investments¹²) but the financial position of Frontier post-transaction (as detailed in the CWA, CAD and Staff Initial Briefs) and the

¹¹ It is also worth noting that Verizon has consistently stated in this proceeding that the copper network in the VSTO areas of West Virginia is in “appropriate shape” (T. Day 4, pp. 35-36) while the record of service quality issues before this Commission demonstrates something very different. Without detailed site visits and studies of the condition of the existing copper network it would be difficult if not impossible for Frontier to have learned the true state of the VSTO area network.

¹² It is likewise true for Frontier’s commitment regarding employees. The record is clear that Frontier has committed only to not reducing the number of installers or technicians for 18 months and made no such commitment to other current employees of Verizon WV. Given the condition of the copper plant, the recent retirements of many experienced technicians (See T. Day 4, Buckley p. 17 and Swatts p. 242, lines 15-16) and the lack of any evidence by the Joint Applicants regarding what is needed in funds and personnel to repair, maintain and improve the network in West Virginia, the record does not support any finding by this Commission that, as a result of the proposed transaction, Frontier will obtain the experience and resources that allow it to conduct operations that provide adequate and reliable resources at reasonable rates. Additionally, according to Frontier’s 10-K Annual Report filed on February 26, 2010 with the SEC (publicly available on the U.S. Securities and Exchange Commission website), “[a]s of December 31, 2009, assuming the Verizon Transaction had taken place as of that date, Spinco would have had approximately 9,500 active employees” – this is down from a 10,700 total as of July 31, 2009. (February 26, 2010 Form 10-K, p. 17) Also, this newly released information reveals that, “[a]s of December 31, 2009, approximately 1,200, or 22%, of Frontier’s approximately 5,400 active employees are retirement eligible.” (*Id.* p. 18)

condition of the copper network in the VSTO areas of West Virginia transform these “commitments” into words of hope or intention that exist without the resources to be met. As documented in the record before this Commission, the Commissions of the New England States, for example, heard similar “commitments” that simply have failed to materialize. This Commission must not let that happen here in West Virginia.

A “Smooth Cutover” – Beginning on page 43 of their Initial Brief the Joint Applicants argue to this Commission that there will be a “smooth cutover to Frontier’s OSS systems.” (*Id.*) While CWA discussed cutover issues in its Initial Brief demonstrating that Frontier’s record is not as portrayed by the Joint Applicants, it is worth noting that the Joint Applicants simply fail to address that the cutover in West Virginia is the first such effort to be made for a former Bell Atlantic property, that the proposed transaction that is the focus of this proceeding is the first time that Frontier has undertaken an acquisition of this scale and one where fourteen states will be competing for managerial, financial and technical attention and resources. In fact, the record in this matter with regard to prior acquisitions by Frontier and sales by Verizon is one that supports a rejection by this Commission of the instant transaction and this Commission should not be swayed by promises that are similar to promises that have been made in other States and not fulfilled.

Allegedly Unlawful Conditions – Beginning on page 56 of their Initial Brief, the Joint Applicants inform this Commission that any conditions that are in addition to those agreed upon by the Joint Applicants are “unnecessary and unreasonable, and are in the two instances discussed below, unlawful.” (*Id.*) The two conditions discussed by the Applicants as being unlawful would require Verizon to fund the needed improvements to

the existing copper network and would require Verizon to provide a guarantee or warranty with regard to the network proposed to be sold. In this regard the Joint Applicants are simply incorrect. Any actions by the Commission in this regard do not constitute a “taking”¹³, but are statutorily authorized conditions placed by the Commission on its Order relative to the transaction. As this Commission is well aware, West Virginia Code § 24-2-12 specifically provides that the Commission may, “if the public will be inconvenienced thereby, enter such order as it may deem proper and as the circumstances may require, attaching conditions as it may deem proper...” The establishment of a guarantee, as proposed by CWA expert Barber, would be just such a condition. It is also abundantly clear to the Applicants as it is to the Commission¹⁴ that the parties to the proposed transaction need not proceed with the transaction if they disapprove of any of the Commission’s conditions. There simply is no taking.¹⁵

¹³ The Joint Applicants are also incorrect with regard to their convoluted logic that such conditions would be a barrier to the entry under 47 U.S.C. § 253 (a). The Applicants’ argument simply fails when one considers Section 253 (b) of the Communications Act, which states, “Nothing in this section shall affect the ability of a State to impose, on a competitively neutral basis and consistent with section 254, requirements necessary to preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers.” With regard to a guarantee as a purported barrier, the Applicants make no argument that a guarantee would be a barrier other than to assert it in two sentences. (Jt. Applicants’ Initial Brief, pp. 64-65) With all due respect, saying it doesn’t make it so. Nor do simple assertions require the Commission or other Parties to provide a detailed response.

¹⁴ See footnote 36 of CWA’s Initial Brief wherein the Chairman comments on the Commission authority to condition approvals and its lack of authority to “condition it [an approval of a transaction such as the instant one] and order you to undertake it [the transactions].” With regard to a guarantee being a taking, the Joint Applicants in fact make no real argument that a guarantee is a taking other than to assert so in one sentence on page 65: “It would constitute a taking...” As with the argument that a guarantee is a barrier, saying something doesn’t make it so. Nor do simple assertions require the Commission or other Parties to provide a detailed response.

¹⁵ The Joint Applicant’s argument also fails the standards for regulatory taking established by the United States Supreme Court. (See for example *Lingle v. Chevron U.S.A., Inc.*, 544 U.S. 528 (2005), *Duquesne Light Co. v. Barasch*, 488 U.S. 299 (1989))

The Joint Applicants' argument here is an extension of their attempt to tie the hands of the Commission through their attempt to curtail the ability of this Commission to condition this transaction on Verizon investing additional funds in the transaction by, in essence, having any such investment be covered by Frontier. The Commission should reject the Joint Application for including unreasonable provisions and reject the current argument as well.

Conclusion

The Initial Brief of the Joint Applicants fails to provide a convincing argument that the Proposed Transaction meets the requirements of the law and should be approved. It fails because the record in this proceeding fails to include evidence that would support such a conclusion. It fails because the Applicants have not provided any evidence that they performed a study of the problems of the existing copper network nor a study of the amount of investment that would be required to repair and maintain the network. It fails because Frontier provided no evidence that its promise of capital investment amounts over the next few years are in any way sufficient to undo ongoing service quality problems in the VSTO areas of West Virginia. It fails because the record does not support finding that Frontier *will have* the resources to provide adequate and reliable telecommunications services.¹⁶ It fails because the Joint Applicants did not address the overwhelming opposition by this State's elected leadership and the record does not support a finding that this transaction is in the public's interest or that it will not

¹⁶ In a February 24, 2010 press release Frontier Communications released its full year 2009 financial report which reveals that Frontier's revenues were down by 5% for the year. Frontier's net income for 2008 was \$184 million and dropped to \$123 million in 2009. Frontier had \$94.2 million in interest expenses alone for just the fourth quarter of 2009. This Frontier press release can be found at: http://phx.corporate-ir.net/phoenix.zhtml?c=66508&p=irol-newsArticle_print&ID=1394635&highlight=

adversely affect the public. It fails because the Joint Applicants cannot justify as reasonable their attempt to circumscribe the conditions that this Commission can place upon any approval of this transaction. It fails because the record of Frontier's history of problems with transitions of this type, as evidenced by the Rochester telephone issues, does not support a finding that the public will not be adversely impacted by the proposed transaction if it were to go forward. It fails because the record of Verizon's history with transactions of this type, as evidenced by the FairPoint/Verizon transaction¹⁷, does not support a finding that the public will not be adversely impacted by the proposed transaction if it were to go forward. It fails because the Applicants have simply failed to create a record that would permit the Commission to make the findings required by the law of the State of West Virginia.

As CWA stated in its Initial Brief, the issue before this Commission is not whether Verizon can, given the proper transaction, sell the VSTO areas of West Virginia. The issue before this Commission is whether the record in this proceeding supports the Commission's approval of the terms and conditions of *this transaction*. Given the record

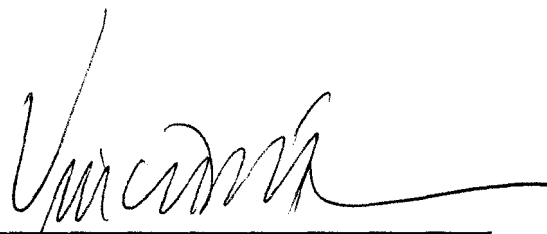
¹⁷ The Commission should note that FairPoint's revised "Plan of Reorganization" and "Disclosure Statement" (filed March 10, 2010) contains the following:

"The Creditors' Committee has advised FairPoint that it believes, based upon its preliminary investigations, that the Merger of Spinco and FairPoint Communications gives rise to material fraudulent transfer claims against Verizon and others. The Creditors' Committee actively seeks prosecution of these claims for the benefit of creditors. The foregoing summarizes the position of the Creditors' Committee based upon its preliminary investigations and is not meant to constitute a complete description of potential claims arising out of the Merger."

"FairPoint, together with its advisors, has undertaken a preliminary analysis of these issues. Generally, a transfer (including the incurrence of an obligation) may be avoided as a "fraudulent transfer" where a debtor did not receive "reasonably equivalent value" in exchange for such transfer and the debtor was insolvent at the time the transfer was made. See 11 U.S.C. § 548. FairPoint and Reorganized FairPoint have not yet reached a final conclusion on the merits of such an action. The Plan does not contain a release of such Claims against Verizon."

in this proceeding, the Joint Applicants have left the Commission no choice but to reject this proposed transaction.¹⁸

Respectfully submitted, this 11th day of March, 2010.

A handwritten signature in black ink, appearing to read 'Vincent Trivelli', with a long horizontal flourish extending to the right.

Vincent Trivelli (WV Bar No. 8015)
The Law Office of Vincent Trivelli, PLLC
178 Chancery Row
Morgantown, WV 26505
Phone: (304) 291-5223
Fax: (304) 291-2240

¹⁸ On March 9, 2010, the Administrative Law Judge of the Illinois Commerce Commission filed a Proposed Order regarding the Illinois portion of the proposed transaction. That ALJ's Proposed Order Denies the Joint Application pending before the Illinois Commerce Commission. (See Post-Hearing Filing of the Communications Workers of America, AFL-CIO filed in this matter on or about March 10, 2010)

**OF WEST VIRGINIA
CHARLESTON**

Case No. 09-0871-T-PC
Citizens Telecommunications Company
of West Virginia, dba Frontier Communications
of West Virginia and Verizon West Virginia Inc.

CERTIFICATE OF SERVICE

The undersigned counsel for the Communications Workers of America, AFL-CIO, certifies that service of the foregoing **Reply Brief of the Communications Workers of America, AFL-CIO** has been made by depositing a true and exact copy thereof in the U.S. Mail, postage pre-paid on the 11th day of March, 2010 to the following parties in accordance with the executed proprietary agreements:

Joseph J. Starsick, Jr., Esq.
Goodwin & Goodwin, LLP
P.O. Box 2107
Charleston, WV 25328-2107

Patrick W. Pearlman, Esq.
Deputy Consumer Advocate
Consumer Advocate Division
700 Union Building
723 Kanawha Blvd., East
Charleston, WV 25301

Lisa Wansley, Esq.
Public Service Commission
P.O. Box 812
Charleston, WV 25323

Kevin Saville, Associate General
Counsel
Frontier Communications Corporation
2378 Wilshire Blvd.
Mound, MN 55364

Lydia Pulley
General Counsel – VA, WV, NC & SC
Verizon Corporate Services Corporation
703 – 713 E. Grace St.
Richmond, VA 23219

Stephen S. Melnikoff, General Attorney
Regulatory Law Office (JALS-RL)
U.S. Army Litigation Center
901 N. Stuart Street, Suite 700
Arlington, VA 22203-1837

Scott J. Rubin, Esq.
333 Oak Lane
Bloomsburg, PA 17815

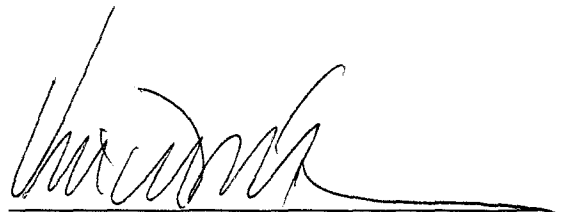
Steven Hamula, Esq.
Director of Regulatory Affairs
FiberNet, LLC
1200 Greenbrier Street
Charleston, WV 25311

Jeffrey A. Ray, General Counsel
Citynet
113 Platinum Drive, Suite B
Bridgeport, WV 26330

Amanda M. Ream, Esq.
Richard L. Gottlieb, Esq.
Lewis, Glasser, Casey & Rollins, PLLC
BB&T Square, Suite 700
300 Summers Street
Charleston, WV 25301

James V. Kelsh, Esq.
Law Office of James V. Kelsh
300 Summers Street, Suite 1230
P.O. Box 3713
Charleston, WV 25337-3713

Robert R. Rodecker, Esq.
P.O. Box 3713
Charleston, WV 25337

A handwritten signature in black ink, appearing to read 'Vincent Trivelli', with a long horizontal flourish extending to the right.

Vincent Trivelli (WV Bar No. 8015)
The Law Office of Vincent Trivelli, PLLC
178 Chancery Row
Morgantown, WV 26505
Phone: (304) 291-5223
Fax: (304) 291-2240